

House File 613 - Introduced

HOUSE FILE _____
BY TYMESON

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to property valuation for property tax purposes
2 by modifying the definition of market value, requiring
3 personal notice of certain equalization orders, and modifying
4 the timeline of the property assessment protest process and
5 including an applicability date.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
7 TLSB 1522HH 83
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1 1 Section 1. Section 441.17, subsection 7, Code 2009, is
1 2 amended to read as follows:

1 3 7. Submit on or before ~~May~~ June 1 of each year completed
1 4 assessment rolls to the board of review.

1 5 Sec. 2. Section 441.17, Code 2009, is amended by adding
1 6 the following new subsection:

1 7 NEW SUBSECTION. 12. Cooperate with and assist the auditor
1 8 in the preparation of property owner or taxpayer notices
1 9 pursuant to section 441.49.

1 10 Sec. 3. Section 441.21, subsection 1, paragraph b,
1 11 unnumbered paragraph 1, Code 2009, is amended to read as
1 12 follows:

1 13 The actual value of all property subject to assessment and
1 14 taxation shall be the fair and reasonable market value of such
1 15 property except as otherwise provided in this section.

1 16 "Market value" is defined as the fair and reasonable exchange
1 17 in the year in which the property is listed and valued between
1 18 a willing buyer and a willing seller, neither being under any
1 19 compulsion to buy or sell and each being familiar with all the
1 20 facts relating to the particular property. Sale prices of the
1 21 property or comparable property in normal transactions
1 22 reflecting market value, and the probable availability or
1 23 unavailability of persons interested in purchasing the

1 24 property, shall be taken into consideration in arriving at its
1 25 market value. In arriving at market value, sale prices of
1 26 property in abnormal transactions not reflecting market value
1 27 shall not be taken into account, or shall be adjusted to

1 28 eliminate the effect of factors which distort market value,
1 29 including but not limited to sales to immediate family of the
1 30 seller, foreclosure or other forced sales, contract sales,
1 31 discounted purchase transactions or purchase of adjoining land
1 32 or other land to be operated as a unit. In arriving at market

1 33 value, the advertised price of property that is for sale at
1 34 the time the assessment is made, or was previously for sale
1 35 but remains unsold at the time the assessment is made, shall
2 1 not be taken into account.

2 2 Sec. 4. Section 441.26, unnumbered paragraphs 2 and 3,
2 3 Code 2009, are amended to read as follows:

2 4 If you are not satisfied that the foregoing assessment is
2 5 correct, you may file a protest against such assessment with
2 6 the board of review on or after April 16, to and including ~~May~~
2 7 June 5, of the year of the assessment, such protest to be
2 8 confined to the grounds specified in section 441.37.

2 9 Dated: day of (month), (year)

2 10
2 11 County/City Assessor.

2 12 The notice in 1981 and each odd-numbered year thereafter
2 13 shall contain a statement that the assessments are subject to
2 14 equalization pursuant to an order issued by the director of
2 15 revenue, that the county auditor shall give notice on or
2 16 before October 15 by publication in an official newspaper of
2 17 general circulation to any class of property affected by the

2 18 equalization order, and written notice mailed to each property
2 19 owner or taxpayer whose valuation will increase as a result of
2 20 the equalization order, and that the board of review shall be
2 21 in session from October 15 to November 15 to hear protests of
2 22 affected property owners or taxpayers whose valuations have
2 23 been adjusted by the equalization order.

2 24 Sec. 5. Section 441.33, unnumbered paragraph 1, Code 2009,
2 25 is amended to read as follows:

2 26 The board of review shall be in session from ~~May~~ June 1
2 27 through the period of time necessary to act on all protests
2 28 filed under section 441.37 but not later than ~~May 31~~ July 1
2 29 each year and for an additional period as required under
2 30 section 441.37 and shall hold as many meetings as are
2 31 necessary to discharge its duties. On or before ~~May 31~~ July 1
2 32 in those years in which a session has not been extended as
2 33 required under section 441.37, the board shall return all
2 34 books, records, and papers to the assessor except undisposed
2 35 of protests and records pertaining to those protests. If it
3 1 has not completed its work by ~~May 31~~ July 1, in those years in
3 2 which the session has not been extended under section 441.37,
3 3 the director of revenue may authorize the board of review to
3 4 continue in session for a period necessary to complete its
3 5 work, but the director of revenue shall not approve a
3 6 continuance extending beyond ~~July~~ August 15. On or before ~~May~~
3 7 ~~31~~ July 1 or on the final day of any extended session required
3 8 under section 441.37 or authorized by the director of revenue,
3 9 the board of review shall adjourn until ~~May~~ June 1 of the
3 10 following year. It shall adopt its own rules of procedure,
3 11 elect its own chairperson from its membership, and keep
3 12 minutes of its meetings. The board shall appoint a clerk who
3 13 may be a member of the board or any other qualified person,
3 14 except the assessor or any member of the assessor's staff. It
3 15 may be reconvened by the director of revenue. All undisposed
3 16 protests in its hands on ~~July~~ August 15 shall be automatically
3 17 overruled and returned to the assessor together with its other
3 18 records.

3 19 Sec. 6. Section 441.37, subsection 1, unnumbered paragraph
3 20 1, Code 2009, is amended to read as follows:

3 21 Any property owner or aggrieved taxpayer who is
3 22 dissatisfied with the owner's or taxpayer's assessment may
3 23 file a protest against such assessment with the board of
3 24 review on or after April 16, to and including ~~May~~ June 5, of
3 25 the year of the assessment. In any county which has been
3 26 declared to be a disaster area by proper federal authorities
3 27 after March 1 and prior to ~~May~~ June 20 of said year of
3 28 assessment, the board of review shall be authorized to remain
3 29 in session until ~~June~~ July 15 and the time for filing a
3 30 protest shall be extended to and include the period from ~~May~~
3 31 ~~June~~ June 25 to ~~June~~ July 5 of such year. ~~Said~~ The protest shall
3 32 be in writing and signed by the one protesting or by the
3 33 protester's duly authorized agent. The taxpayer may have an
3 34 oral hearing ~~thereon on the protest~~ if request ~~therefor in~~
3 35 ~~writing for an oral hearing~~ is made in writing at the time of
4 1 filing the protest. ~~Said~~ The protest must be confined to one
4 2 or more of the following grounds:

4 3 Sec. 7. Section 441.38, subsection 1, Code 2009, is
4 4 amended to read as follows:

4 5 1. Appeals may be taken from the action of the local board
4 6 of review with reference to protests of assessment, to the
4 7 district court of the county in which the board holds its
4 8 sessions within twenty days after its adjournment or ~~May 31~~
4 9 July 1, whichever date is later. Appeals may be taken from
4 10 the action of the property assessment appeal board to the
4 11 district court of the county where the property which is the
4 12 subject of the appeal is located within twenty days after the
4 13 letter of disposition of the appeal by the property assessment
4 14 appeal board is postmarked to the appellant. No new grounds
4 15 in addition to those set out in the protest to the local board
4 16 of review as provided in section 441.37, or in addition to
4 17 those set out in the appeal to the property assessment appeal
4 18 board, if applicable, can be pleaded. Additional evidence to
4 19 sustain those grounds may be introduced in an appeal from the
4 20 local board of review to the district court. However, no new
4 21 evidence to sustain those grounds may be introduced in an
4 22 appeal from the property assessment appeal board to the
4 23 district court. The assessor shall have the same right to
4 24 appeal and in the same manner as an individual taxpayer,
4 25 public body, or other public officer as provided in section
4 26 441.42. Appeals shall be taken by filing a written notice of
4 27 appeal with the clerk of district court. Filing of the
4 28 written notice of appeal shall preserve all rights of appeal

4 29 of the appellant.

4 30 Sec. 8. Section 441.45, Code 2009, is amended to read as

4 31 follows:

4 32 441.45 ABSTRACT TO STATE DEPARTMENT OF REVENUE.

4 33 1. The county assessor of each county and each city
4 34 assessor shall, on or before ~~July~~ August 1 of each year, make
4 35 out and transmit to the department of revenue an abstract of
5 1 the real property in the assessor's county or city, as the
5 2 case may be, and file a copy of the abstract with the county
5 3 auditor, in which the assessor shall set forth:

5 4 ~~1-~~ a. The number of acres of land and the aggregate
5 5 taxable values of the land, exclusive of city lots, returned
5 6 by the assessors, as corrected by the board of review.

5 7 ~~2-~~ b. The aggregate taxable values of real estate by
5 8 class in each township and city in the county, returned as
5 9 corrected by the board of review.

5 10 ~~3-~~ c. Other facts required by the director of revenue.

5 11 2. If a board of review continues in session beyond ~~June~~
5 12 July 1, under sections 441.33 and 441.37, the abstract of the
5 13 real property shall be made out and transmitted to the
5 14 department of revenue within fifteen days after the date of
5 15 final adjournment by the board.

5 16 Sec. 9. Section 441.49, Code 2009, is amended by adding
5 17 the following new unnumbered paragraph after unnumbered
5 18 paragraph 3:

5 19 NEW UNNUMBERED PARAGRAPH. On or before October 15, the
5 20 county auditor, with cooperation and assistance of the county
5 21 assessor and the city assessor, if applicable, shall in
5 22 writing notify each property owner or taxpayer whose valuation
5 23 will be increased as a result of the equalization order. The
5 24 notice shall include the statement required to be published
5 25 pursuant to this section and shall state the percentage
5 26 increase that will be applied to the property, the property
5 27 owner's or taxpayer's right to protest the increase, and the
5 28 dates that protests will be heard by the board of review.

5 29 Sec. 10. APPLICABILITY DATE. This Act applies to
5 30 assessment years beginning on or after January 1, 2010.

5 31 EXPLANATION

5 32 This bill makes changes relating to the valuation of
5 33 property for property tax purposes.

5 34 The bill provides that an assessor shall not take into
5 35 account the advertised price of property that is for sale at
6 1 the time the assessment is made, or was previously for sale
6 2 but remains unsold at the time the assessment is made, when
6 3 determining a property's market value.

6 4 The bill provides property owners or taxpayers wishing to
6 5 appeal an assessment to the local board of review an
6 6 additional 30 days in which to appeal the assessment. All
6 7 corresponding dates relating to the appeal process are moved
6 8 back 30 days.

6 9 The bill requires the county auditor, with the assistance
6 10 and cooperation of the city or county assessor, to provide the
6 11 property owner or taxpayer written notice of an increase in
6 12 valuation due to an equalization order.

6 13 The bill applies to assessment years beginning on or after
6 14 January 1, 2010.

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